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C O N F I D E N T I A L SECTION 01 OF 02 MANILA 002302

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SUBJECT: PALAWAN: CONFIDENCE ABOUT SECURITY FIVE YEARS

AFTER DOS PALMAS

REF: A. MANILA 2273 <u>¶</u>B. STATE 87969

Classified By: Acting Pol/C Joseph L. Novak for reasons 1.4 (b) and (d).

11. (C) Summary: During POL team's recent visit to Palawan in the western Philippines, GRP officials expressed confidence about the security situation there five years after the terrorist raid on the Dos Palmas Resort in May 12001. The officials said military assets in the area had been reinforced in order to protect tourist and other infrastructure from attack. Contacts claimed that there was little sign of extremism among Palawan's small Muslim population. The military did not see communist New People's Army (NPA) insurgents as a threat. The Dos Palmas raid severely embarrassed the GRP and it appears to have taken some remedial steps to bolster security. End Summary.

Confidence about Security

- 12. (C) Acting Pol/C and Senior POL LES visited Palawan Island in the western Philippines, May 24-26. In meetings with POL team, Philippine government authorities expressed confidence about the security situation there five years after the terrorist raid on the Dos Palmas Resort. (Note: On May 27, 2001, Abu Sayyaf Group terrorists raided the resort located offshore of Puerto Princesa, Palawan, and kidnapped about 20 people, who were taken to the southern Philippines. Three Americans were among the group; two of whom were killed during the prolonged hostage-taking. End Note.) Brigadier General Armando Melo, Deputy Chief of the Western Command, told Acting POL/C that the Armed Forces of the Philippines (AFP) had bolstered security by reinforcing naval elements and increasing patrols in the Sulu Sea area via "Task Force Stingray." The AFP had also returned a detachment of Marines, which had been deployed in Mindanao beginning in the late 1990's, to Puerto Princesa, the capital of Palawan, in late 2001.
- ¶3. (C) The AFP, Melo said, was engaged in a constant round of maritime security exercises off Palawan. He thanked the U.S. military for involving AFP forces in joint exercises and training, which included a large-scale "Balikatan" exercise held in Palawan in 2004 (Melo himself received U.S. training in San Diego in 1997 and Monterey in 2002). Overall, Melo concluded, the AFP was confident that terrorist groups would have a hard time reprising what had happened in 2001, though he noted that AFP intelligence lacked resources, and there were serious "knowledge gaps" in terms of what was known of terrorist intentions and capabilities.

Dos Palmas Recovers

14. (C) POL team also made a brief stop at the Dos Palmas Resort, which is located several kilometers offshore from central Puerto Princesa in Honda Bay. Owner Ivan Lim related that he had increased resort security since the 2001 incident. The Philippine navy had also sharply increased its patrols of the area since 2001, often stopping at the resort. Dos Palmas had been forced to close down right after the attack, but was now doing well -- despite ongoing renovations -- thanks to an influx of tourists from South Korea and elsewhere. Lim said he was in touch with the owners and managers of the other offshore resorts in the Palawan region, who reported that security had been tightened around their properties, too.

Muslims: "Focused on Business"

15. (C) Contacts claimed that there was little sign of extremism within the small Muslim population, which comprises about 5 percent of Palawan's one million residents. Most of the community lives in southern Palawan or on the small islands of Balabac, Bancalan, and Bugsuk located near Sabah, Malaysia. Songsong Camama, a local Muslim leader, businessman, and Lion's Club leader, told Acting Pol/C that most Muslims in Palawan were "focused on business" and had little interest in the radical "Moro" politics of Mindanao and the Sulu Archipelago. He noted, however, that "quite a few" Mindanao Muslims, especially from the Maranao and Tausug tribes, had moved to Palawan to escape the fighting in their

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home region (Camama is a Maranao himself, though he has lived in Palawan for many years). Camama said that he had never heard of a Muslim mosque or school in Palawan that taught extremist views.

16. (C) Camama noted that there was a lot of business, including smuggling, being conducted by Palawan Muslims with Sabah. Many Palawan Muslims also were working in Malaysia illegally. Camama commented that he had not heard of any extremists crossing over into Palawan from Sabah via the Balabac Strait or from Indonesia. AFP and Philippine National Police contacts -- while noting that border controls were weak -- agreed that they had little evidence of extremists coming into the Philippines from the southern Palawan entry point.

Little Threat from NPA

17. (C) GRP contacts did not see the NPA as a threat. The AFP estimated that there might be "around 50" NPA cadre operating in jungles in northern Palawan and perhaps some in the south. Fighting between the NPA and security forces was rare, though -- in an incident that had resulted in some casualties -- the NPA had attacked an army convoy in the north in October 2004. According to Palawan Governor Joel R. Reyes, the "legal" left was active in many areas, however, and maintained some popularity due to its so-called "pro-poor" policies.

====== Comment

¶8. (C) The Dos Palmas raid severely embarrassed the GRP. It appears to have taken some remedial steps to bolster security and Palawan -- including its large tourist infrastructure -- seems relatively secure at this point. It was positive that there was little indication that the "backdoor" entry point

between Palawan and points south was being used by extremists (as the Mindanao and the Sulu Archipelago region are used). GRP authorities readily admitted, however, that they have little intelligence on the situation and that border controls are weak. The maritime border control technical needs project reviewed in ref b can focus usefully on the Palawan area as part of its upcoming assessment of the Sulu/Sulawesi triborder region.

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Kenney